

KING COUNTY, WASHINGTON
NET ASSETS BY COMPONENT
LAST SIX FISCAL YEARS
 (ACCRUAL BASIS OF ACCOUNTING)
 (IN THOUSANDS)

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Governmental activities						
Invested in capital assets, net of related debt	\$ 1,156,826	\$ 1,316,216	\$ 1,448,891	\$ 1,525,984	\$ 1,642,456	\$ 1,762,158
Restricted	297,057	263,818	261,656	289,894	338,188	394,932
Unrestricted	<u>(415,608)</u>	<u>(360,725)</u>	<u>(465,720)</u>	<u>(408,832)</u>	<u>(364,090)</u>	<u>(357,940)</u>
Total governmental activities net assets	<u>\$ 1,038,275</u>	<u>\$ 1,219,309</u>	<u>\$ 1,244,827</u>	<u>\$ 1,407,046</u>	<u>\$ 1,616,554</u>	<u>\$ 1,799,150</u>
Business-type activities						
Invested in capital assets, net of related debt	\$ 1,244,183	\$ 1,357,467	\$ 1,516,280	\$ 1,524,744	\$ 1,566,302	\$ 1,551,017
Restricted	407,709	360,660	283,104	311,665	329,262	419,118
Unrestricted	<u>135,491</u>	<u>102,540</u>	<u>87,157</u>	<u>94,259</u>	<u>124,490</u>	<u>153,948</u>
Total business-type activities net assets	<u>\$ 1,787,383</u>	<u>\$ 1,820,667</u>	<u>\$ 1,886,541</u>	<u>\$ 1,930,668</u>	<u>\$ 2,020,054</u>	<u>\$ 2,124,083</u>
Primary government						
Invested in capital assets, net of related debt	\$ 2,401,009	\$ 2,673,683	\$ 2,965,171	\$ 3,050,728	\$ 3,208,758	\$ 3,313,175
Restricted	704,766	624,478	544,760	601,559	667,450	814,050
Unrestricted	<u>(280,117)</u>	<u>(258,185)</u>	<u>(378,563)</u>	<u>(314,573)</u>	<u>(239,600)</u>	<u>(203,992)</u>
Total primary government net assets	<u>\$ 2,825,658</u>	<u>\$ 3,039,976</u>	<u>\$ 3,131,368</u>	<u>\$ 3,337,714</u>	<u>\$ 3,636,608</u>	<u>\$ 3,923,233</u>

Accrual-basis financial information for the County is available back to 2002 only, the year GASB Statement 34 was implemented.

Notes:

(1) In 2007, four Washington state nonprofit corporations each of which are single-purpose entities that were created to assist the County in the development and construction of public buildings have been recognized as a single blended component unit of the County in accordance with GASB Statement 14 criteria. The Net Assets by Component for 2006 have been restated for this change.

(2) In 2007, Net Assets by Component for 2005 and 2006 have been restated for prior period adjustments in infrastructure and related right-of-way costs.

CHANGES IN NET ASSETS
LAST SIX FISCAL YEARS
 (ACCRUAL BASIS OF ACCOUNTING)
 (IN THOUSANDS)
 (PAGE 1 OF 2)

	2002	2003	2004	2005	2006	2007
Expenses						
Governmental activities:						
General government	\$ 55,835	\$ 53,635	\$ 79,723	\$ 85,516	\$ 88,278	\$ 95,864
Law, safety and justice	462,834	491,834	474,808	476,101	509,234	544,838
Physical environment	51,556	52,386	58,092	51,897	56,322	63,326
Transportation	63,373	64,722	71,487	90,803	96,401	107,471
Economic environment	73,334	80,360	76,519	87,420	92,460	94,555
Mental and physical health	316,631	327,212	504,252	346,672	361,817	381,286
Culture and recreation	33,734	36,432	38,888	36,902	40,974	50,100
Interest and other debt service costs	53,116	45,980	49,383	54,538	52,361	53,299
Total governmental activities expenses	<u>1,110,413</u>	<u>1,152,561</u>	<u>1,353,152</u>	<u>1,229,849</u>	<u>1,297,847</u>	<u>1,390,739</u>
Business-type activities:						
Airport	11,816	11,590	12,356	15,537	15,392	14,620
Public Transportation	449,670	463,219	508,290	529,679	535,471	588,234
Solid Waste	79,571	79,105	78,074	95,457	102,127	116,252
Water Quality	219,634	212,355	222,238	228,438	243,496	242,808
Other	5,380	6,165	6,155	5,788	6,687	8,025
Total business-type activities expenses	<u>766,071</u>	<u>772,434</u>	<u>827,113</u>	<u>874,899</u>	<u>903,173</u>	<u>969,939</u>
Total primary government expenses	<u>\$ 1,876,484</u>	<u>\$ 1,924,995</u>	<u>\$ 2,180,265</u>	<u>\$ 2,104,748</u>	<u>\$ 2,201,020</u>	<u>\$ 2,360,678</u>
Program Revenues						
Governmental activities:						
Charges for services:						
General government	\$ 55,121	\$ 43,181	\$ 53,612	\$ 58,896	\$ 48,625	\$ 65,440
Law, safety and justice	98,573	95,084	108,617	106,315	118,722	125,103
Physical environment	38,456	50,836	53,744	43,231	42,517	44,564
Transportation	22,338	18,474	17,641	19,157	16,725	17,003
Economic environment	26,422	35,521	31,791	34,830	39,424	48,586
Mental and physical health	191,183	193,893	175,296	183,590	206,589	226,341
Culture and recreation	6,650	7,294	5,838	5,700	6,538	7,264
Interest and other debt service costs	3,432	3,334	4,651	4,049	8,339	4,864
Operating grants and contributions:						
General government	3,837	3,807	3,888	3,166	3,020	4,010
Law, safety and justice	28,135	26,192	25,931	34,230	27,595	33,675
Physical environment	1,988	1,564	2,560	3,016	2,075	2,033
Transportation	16,164	15,587	15,287	15,540	16,351	18,100
Economic environment	27,768	34,758	30,683	29,123	23,353	21,635
Mental and physical health	93,942	96,143	100,133	102,909	106,272	95,420
Culture and recreation	124	1,706	91	908	343	608
Interest and other debt service costs	3,977	4,127	3,760	4,407	4,554	4,734
Capital grants and contributions:						
General government	367	1,164	2,357	1,558	5,868	1,010
Physical environment	2,229	5,112	1,997	5,386	8,014	5,406
Transportation	79,820	94,254	91,813	147,870	87,979	76,403
Culture and recreation	679	3,151	941	1,799	-	89
Total governmental activities program revenues	<u>701,205</u>	<u>735,182</u>	<u>730,631</u>	<u>805,680</u>	<u>772,903</u>	<u>802,288</u>

Notes:

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(2) In 2007, four Washington state nonprofit corporations each of which are single-purpose entities that were created to assist the County in the development and construction of public buildings have been recognized as a single blended component unit of the County in accordance with GASB Statement 14 criteria. The Changes in Net Assets for 2006 have been restated for this change.

(3) In 2007, Changes in Net Assets for 2006 have been restated for prior period adjustments in infrastructure and related right-of-way costs.

CHANGES IN NET ASSETS
LAST SIX FISCAL YEARS
 (ACCRUAL BASIS OF ACCOUNTING)
 (IN THOUSANDS)
 (PAGE 2 OF 2)

	2002	2003	2004	2005	2006	2007
Business-type activities:						
Charges for services:						
Airport	\$ 8,821	\$ 9,398	\$ 11,496	\$ 11,308	\$ 12,481	\$ 13,921
Public Transportation	107,621	104,348	113,335	131,321	143,831	160,231
Solid Waste	81,981	84,764	90,595	91,207	94,316	93,376
Water Quality	216,515	218,862	222,415	224,595	242,852	264,440
Other	5,544	5,158	4,607	5,913	6,685	6,823
Operating grants and contributions:						
Public Transportation	31,093	24,287	35,715	14,141	56,400	55,771
Other	197	-	-	-	-	-
Capital grants and contributions:						
Airport	1,230	469	1,305	6,352	21,248	2,533
Public Transportation	36,441	40,951	73,557	73,230	12,780	11,431
Solid Waste	500	929	537	529	988	690
Water Quality	13,915	11,438	15,942	3,264	2,242	1,164
Other			40	612	108	28
Total business-type activities program revenues	<u>503,858</u>	<u>500,604</u>	<u>569,544</u>	<u>562,472</u>	<u>593,931</u>	<u>610,408</u>
Total primary government program revenues	<u>\$ 1,205,063</u>	<u>\$ 1,235,786</u>	<u>\$ 1,300,175</u>	<u>\$ 1,368,152</u>	<u>\$ 1,366,834</u>	<u>\$ 1,412,696</u>
Net (Expenses)/Revenue						
Governmental activities	\$ (409,208)	\$ (417,379)	\$ (622,521)	\$ (424,169)	\$ (524,944)	\$ (588,451)
Business-type activities	(262,213)	(271,830)	(257,569)	(312,427)	(309,242)	(359,531)
Total primary government net expenses	<u>\$ (671,421)</u>	<u>\$ (689,209)</u>	<u>\$ (880,090)</u>	<u>\$ (736,596)</u>	<u>\$ (834,186)</u>	<u>\$ (947,982)</u>
General revenues and Other Changes in Net Assets						
Governmental activities:						
Property taxes	\$ 390,706	\$ 394,903	\$ 433,593	\$ 447,041	\$ 468,740	\$ 499,339
Retail sales and use taxes	120,940	121,217	128,610	138,572	150,111	164,804
Business and other taxes	34,651	42,493	50,165	52,716	56,801	53,745
Penalties and interest - delinquent taxes	15,194	17,064	16,790	14,901	15,322	15,611
Interest earnings	30,111	20,227	18,395	28,352	46,009	36,348
Transfers	(862)	2,509	486	992	(2,531)	1,200
Total governmental activities	<u>590,740</u>	<u>598,413</u>	<u>648,039</u>	<u>682,574</u>	<u>734,452</u>	<u>771,047</u>
Business-type activities:						
Retail sales and use taxes	297,330	296,748	314,192	341,149	367,264	442,042
Interest earnings	26,278	10,875	9,737	16,397	28,833	22,718
Transfers	862	(2,509)	(486)	(992)	2,531	(1,200)
Total business-type activities	<u>324,470</u>	<u>305,114</u>	<u>323,443</u>	<u>356,554</u>	<u>398,628</u>	<u>463,560</u>
Total primary government	<u>\$ 915,210</u>	<u>\$ 903,527</u>	<u>\$ 971,482</u>	<u>\$ 1,039,128</u>	<u>\$ 1,133,080</u>	<u>\$ 1,234,607</u>
Change in Net Assets						
Governmental activities	\$ 181,532	\$ 181,034	\$ 25,518	\$ 258,405	\$ 209,508	\$ 182,596
Business-type activities	62,257	33,284	65,874	44,127	89,386	104,029
Total Primary government	<u>\$ 243,789</u>	<u>\$ 214,318</u>	<u>\$ 91,392</u>	<u>\$ 302,532</u>	<u>\$ 298,894</u>	<u>\$ 286,625</u>

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(3) In 2007, Changes in Net Assets for 2006 have been restated for prior period adjustments in infrastructure and related right-of-way costs.

KING COUNTY, WASHINGTON
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(IN THOUSANDS)

	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
General Fund										
Reserved	\$ 6,934	\$ 6,531	\$ 11,561	\$ 12,558	\$ 9,282	\$ 8,502	\$ 7,815	\$ 18,693	\$ 24,219	\$ 27,346
Unreserved										
Designated	20,090	17,906	25,725	23,403	21,601	19,826	21,422	28,681	23,230	23,319
Undesignated	29,986	36,068	43,071	46,782	60,247	67,920	93,721	96,617	96,315	89,983
Total General Fund	<u>\$ 57,010</u>	<u>\$ 60,505</u>	<u>\$ 80,357</u>	<u>\$ 82,743</u>	<u>\$ 91,130</u>	<u>\$ 96,248</u>	<u>\$ 122,958</u>	<u>\$ 143,991</u>	<u>\$ 143,764</u>	<u>\$ 140,648</u>
All Other Governmental Funds										
Reserved	\$ 76,592	\$ 79,080	\$ 87,451	\$ 81,076	\$ 137,465	\$ 121,678	\$ 110,956	\$ 103,513	\$ 108,317	\$ 101,045
Unreserved										
Designated										
Special revenue funds	22,960	11,707	16,218	17,112	16,594	7,584	15,949	25,141	26,951	37,129
Debt service funds	-	-	108	283	246	176	-	-	-	-
Capital project funds	1,158	-	824	2,233	2,353	-	-	-	-	-
Undesignated										
Special revenue funds	36,737	51,027	42,893	41,172	60,499	70,325	73,948	58,618	67,268	84,541
Debt service funds	21,873	24,104	19,799	21,914	26,915	22,234	34,029	28,635	30,413	27,666
Capital project funds	114,962	138,199	98,943	89,283	30,988	14,205	49,758	57,069	43,678	80,946
Total all other governmental funds	<u>\$ 274,282</u>	<u>\$ 304,117</u>	<u>\$ 266,236</u>	<u>\$ 253,073</u>	<u>\$ 275,060</u>	<u>\$ 236,202</u>	<u>\$ 284,640</u>	<u>\$ 272,976</u>	<u>\$ 276,627</u>	<u>\$ 331,327</u>

Note: On January 1, 2005, the Criminal Justice Fund, a special revenue fund, was closed and the fund balance was transferred to the General Fund. In 1998 through 2004, the fund balance of the Criminal Justice Fund is reported under All Other Governmental Funds.

KING COUNTY, WASHINGTON
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(IN THOUSANDS)

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Revenues										
Taxes	\$ 443,722	\$ 500,675	\$ 525,195	\$ 539,743	\$ 561,039	\$ 575,590	\$ 630,440	\$ 653,194	\$ 690,873	\$ 733,432
Licenses and permits	15,851	18,979	13,506	19,272	17,322	20,900	25,920	22,477	24,654	30,865
Intergovernmental revenues	325,514	342,105	346,911	377,610	391,915	390,702	418,362	417,407	442,094	453,577
Charges for services	164,529	188,268	201,351	223,375	212,229	251,464	216,636	222,708	223,306	243,905
Fines and forfeits	6,892	6,958	8,044	7,086	8,016	8,145	7,350	6,362	8,084	9,616
Interest earnings	29,618	24,939	37,045	32,982	25,251	17,106	15,845	24,274	38,072	29,065
Miscellaneous revenues	17,057	28,940	32,384	34,868	42,963	35,011	42,289	46,189	51,081	57,504
Total revenues	1,003,183	1,110,864	1,164,436	1,234,936	1,258,735	1,298,918	1,356,842	1,392,611	1,478,164	1,557,964
Expenditures										
General government services	98,939	76,791	90,074	106,464	98,319	120,059	118,763	137,416	141,318	157,751
Law, safety and justice	327,982	354,773	367,913	398,976	420,352	440,151	423,737	429,541	467,053	496,376
Physical environment	37,743	40,384	39,686	39,999	51,236	50,947	55,760	51,408	56,601	63,924
Transportation	46,858	47,162	49,868	52,154	61,535	59,957	66,937	88,473	95,758	106,396
Economic environment	60,418	66,058	64,073	71,349	72,185	78,408	75,940	87,080	91,955	94,187
Mental and physical health	245,712	266,742	275,677	299,069	313,119	318,161	501,582	344,036	361,334	381,817
Culture and recreation	27,004	29,382	32,343	34,176	30,341	33,596	36,974	34,744	38,981	47,512
Debt service										
Redemption of long-term debt	44,009	52,408	51,482	57,586	57,900	65,150	65,252	78,160	80,192	87,195
Interest and other debt service costs	57,651	59,603	79,168	66,342	61,752	53,761	67,072	55,805	65,050	54,475
Capital outlay	159,497	222,150	144,802	145,697	110,476	150,708	201,397	83,936	86,746	74,135
Total expenditures	1,105,813	1,215,453	1,195,086	1,271,812	1,277,215	1,370,898	1,613,414	1,390,599	1,484,988	1,563,768
Excess (deficiency) of revenues over (under) expenditures	(102,630)	(104,589)	(30,650)	(36,876)	(18,480)	(71,980)	(256,572)	2,012	(6,824)	(5,804)
Other Financing Sources (Uses)										
Transfers in	146,832	113,284	91,069	103,991	117,563	158,856	154,901	146,014	169,156	178,186
Transfers out	(125,818)	(113,317)	(87,686)	(104,012)	(114,884)	(154,547)	(153,989)	(144,458)	(166,282)	(175,063)
General obligation bonds issued	-	56,654	35	24,494	40,282	37,838	246,435	2,134	4,716	48,395
Premium on bonds sold	-	-	-	-	-	-	17,807	2,112	1,633	3,890
Refunding bonds issued	-	-	123,981	-	133,510	138,124	102,315	22,510	38,330	54,565
General long-term debt - capital leases	-	78,405	6,441	186	146	48	62,805	184	-	-
Sale of capital assets	1,099	3,383	618	2,171	1,789	4,407	5,504	4,307	2,274	4,548
Payment to refunded bond escrow agent	-	-	(123,981)	-	(132,798)	(137,377)	(107,317)	(24,360)	(39,579)	(57,133)
Total other financing sources (uses)	22,113	138,409	10,477	26,830	45,608	47,349	328,461	8,443	10,248	57,388
Net change in fund balances	\$ (80,517)	\$ 33,820	\$ (20,173)	\$ (10,046)	\$ 27,128	\$ (24,631)	\$ 71,889	\$ 10,455	\$ 3,424	\$ 51,584
Debt service as a percentage of noncapital expenditures	10.74%	11.28%	12.44%	11.00%	10.26%	9.75%	9.37%	10.25%	10.39%	9.51%

Note:

In 2007, four Washington state nonprofit corporations each of which are single-purpose entities that were created to assist the County in the development and construction of public buildings have been recognized as a single blended component unit of the County in accordance with GASB Statement 14 criteria. A single internal service fund is used to blend the four nonprofit corporations' activities and balances with the primary government. The Changes in Fund Balances, Governmental Funds Debt Service Expenditures for 2006 have been restated for activity now accounted for in an internal service fund.